

Bulletin ID: No. 70 - Submission of Financial Statements

This notice is to clarify the requirements with respect to the submission of provider financial statements. Beginning with the submission of Operating Year 2010 financial statements, providers will be required to adhere to Generally Accepted Auditing Standards. This is consistent with the D.C. Municipal regulations under Title 22A Mental Health, Chapter 34, Mental Health Rehabilitation Services Provider Certification Standards (CDCR 22A-3411 et.al.).

Generally Accepted Auditing Standards do not require a separate report on internal controls or compliance; however it does require communication of noted internal control deficiencies to management and those charged with governance as part of a management report.

For providers with total annual revenues less than three hundred thousand dollars (\$300,000), submitted financial statements must be reviewed by an independent certified public accounting firm.

For providers with annual revenues at or exceeding three hundred thousand dollars (\$300,000), the annual audit must be done by a certified public accounting firm in accordance with generally accepted auditing standards. The resulting financial audit report must be consistent with formats recommended by the American Institute of Certified Public Accountants.

Beginning in 2011, the notice for submission of Financial Statements will be issued to all providers on or about June 1 with a requirement for submission within 30 days of the issuance of the request. Failure to comply in a timely manner with this requirement will be reflected in the Provider Scorecard, and may result in a Class 3 Civil Infraction.

If you have any questions, please contact Anthony Young, Director of Fiscal Services, DMH at 202.673.7799 or at anthony.young@dc.gov.